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Building Community Vitality

DISCUSSION
GUIDE

On the Brink of New Promise
Community Change Discussion Guide

April 2009

Community Change Discussion Guide

What is this tool?

This discussion guide presents a set of questions to help you look outside your own foundation at the broad forces driving new opportunities and challenges in your community. Each set of questions is preceded by a brief re-cap of the large driving forces of change discussed in *On the Brink of New Promise*.

At the end of this tool is a worksheet to guide you in identifying the most powerful forces of change affecting *your* community *now and in the foreseeable future*.

How to use this tool

This set of guided questions is intended to help you think through issues of relevance to your community in order to prepare for the future. The questions also can serve as prompts for important discussions that the community foundation needs to have about the external forces of change that are likely to impact your community and your institution. For each of the five forces described in *On the Brink of New Promise*, we present a brief explanation of the force itself and a set of prompting questions about how the force could affect your community and your organization.

The questions can be used in several ways:

- (1) To help you think more deliberately about how your community and community foundation might change in the coming years. Are there trends that you can anticipate and prepare for now?
- (2) To begin discussions with your board and/or staff about how you feel the community may change, and how your community foundation might respond to those changes. How can you best position your organization to address the changing needs of the community?
- (3) To begin dialogue in your community and with other community philanthropy organizations and partners to discuss emerging issues, and to explore and build consensus on possible and desired trajectories for your community. How can local groups work together to prepare for or promote those futures?

This tool is part of the suite of tools focused on **Considering Your Context**. It can be used independently or in conjunction with the tool for **Mapping Your Community Philanthropy Environment**.

Who should use this tool?

Most of the issues included in this **Community Change Discussion Guide**, especially *Economic and Market Pressures*, *Demographic Changes*, and *Changing Relationship Between Sectors and New Expectations for Public Problem Solving*, are relevant to many constituencies in your community and may provide opportunities to include a broad array of individual expertise in the discussion. However, two of the forces described in this guide, *Changing Expectations for Regulation and Accountability* and *The Commercial Sector as Innovator*, are very specific to philanthropy and may be best discussed with knowledgeable peers in philanthropy.

The more inclusive you are in the group you bring together—and the more background research or information you provide to participants in advance—the more complete, nuanced, and accurate the picture of your community that will emerge.

Related resources

Local data and resources are key to making this exercise a success. Prior to a facilitated discussion or town meeting, it will be helpful to gather any credible work that has been done on needs in your community.

Look around for resources, community indicators, and needs assessments conducted in the past by the community foundation, local nonprofits, civil service groups, public agencies, chambers of commerce, United Way, local colleges or universities, or your local newspaper. Regional or private foundations might have useful information to share. Community centers or advocacy groups for various population groups may also have useful projections on growth and community needs. Additional helpful information sources include:

StatCan. Statistics Canada collects regular data on Canadians through the Census and surveys. It provides summary tables and community profiles on a variety of topics relating to demographics, labour and community characteristics. <http://www.statcan.gc.ca>.

Community Foundations of Canada, Vital Signs. Annual check-ups conducted by community foundations to measure the vitality of communities across Canada. <http://www.cfc-fcc.ca/programs/vital-signs.html>.

Canadian Chamber of Commerce. Canadian Business Facts, a compilation of employment and business research and policies, can be found at <http://www.chamber.ca>.

OECD. The Organization for Economic Community Development collects information on 30 developed countries. It publishes data on education, health and other sectors, where Canadian performance can be compared to other jurisdictions. <http://www.oecd.org>.

Population Reference Bureau. Information about the population dimensions of important social, economic, and political issues can be found at <http://www.prb.org>.

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ECONOMIC DECLINE AND CHANGING MARKET PRESSURES

The shift from an industrial economy to an information-based one has unleashed new fortunes, new poverty, new politics, and new global relationships. The 2008 global economic crisis has brought about significant social and economic dislocation across the continent and around the globe. Corporate consolidation, globalization, and outsourcing are likely to further rearrange local economies as corporations become increasingly mobile. Decisions about economic policy at the national and global levels, as well as local experiences of gaining or losing jobs and industry, will determine community by community how we come through these difficult times.

What does this mean for your community?

- What are key areas of need in your community? How will they be affected by changing economic circumstances?
- Who in your community is in a position to lead on these issues?
- What are the key sources of wealth in your community? How are they being affected by changing economic circumstances? What new sources may be emerging?

What does this mean for your community foundation?

- What is the most successful thing your foundation has ever done about local economic development and conditions? How did you do it and what would you need in order to do it again?
- With whom can foundations work to address the immediate and longer-term needs caused by the changing economic circumstances? What does the foundation need to do now to have these relationships in place in five years?
- How broadly known is the foundation? Does it have connections to and supporters in the key segments of wealth in the community? How is the base of donors likely to change given the changing economic conditions?

DEMOGRAPHIC CHANGES

The face of Canada in 2025 will be quite unlike that of the 1950s, or even 2000, and the change is already taking place astonishingly quickly in some regions. On the whole, the nation is getting older and more diverse. Migration patterns, the aging of the Canadian population, rural and urban discrepancies, and new or emerging population centers will fundamentally alter the composition and social dynamics of communities, as well as the services they require. Community philanthropy will need to ensure that they can serve the different interests and needs of emerging new populations like culturally diverse communities, young people, and immigrants.

What does this mean for your community?

- How are demographics changing in your geographic areas? What is the largest population group? The fastest growing? Which is declining? How are these shifts likely to change in the next 10 to 20 years?
- How are population groups that don't currently connect with the community foundation organizing their philanthropy? What community mechanisms do they use, how do they structure themselves, and what do they do best?
- What public institutions in your community are serving specific population groups really well? Where are the elderly turning for support? What about immigrants? New professionals?

What does this mean for your community foundation?

- How do you learn about the needs of the different groups in your community? Do you assess the specific needs of different demographic segments?
- Have you built relationships with professional advisers who are active in growing and emerging communities?
- What proportion of your donors are people from diverse cultural backgrounds? Young people? How does this proportion compare to 10 years ago (or at your organization's inception, if you were established in the last decade)? How does this proportion relate to the overall composition of your community? Are you prepared to work with different cultures and styles of donors and recipients as the community changes?

CHANGING EXPECTATIONS FOR REGULATION AND ACCOUNTABILITY

Philanthropy in the next generation will operate under increased regulatory and public scrutiny. The nested systems of regulation that guide philanthropy are complex, involve tax structures at multiple jurisdictional levels (provincial, national, international), and can be shifted by new regulations on organizations (foundations) and/or individuals (tax on capital gains). Philanthropy is also affected by regulatory changes in other sectors, including intellectual property and copyright law, environmental law, communications, accessibility rights, immigration law, and the personal and corporate tax laws. Alongside the external regulatory activity, organized philanthropy continues to implement efforts at self-monitoring, ethical standards and performance measurement.

What does this mean for your community?

- What do you think is the general public opinion of philanthropy in your area? What is the public opinion of your community foundation? Has there been a scandal in philanthropy or the nonprofit sector in your area in the last year? The last 10 years? What was the fallout of that event?
- Do you track what is happening with local, provincial, and national policies that relate to philanthropy?
- Do you have relationships with local, provincial, or national policymakers? How did you develop those relationships and how are they maintained?

What does this mean for your community foundation?

- If the regulatory environment for giving was to change dramatically and you had to completely reconfigure the work of the foundation, what are the three most important things to keep going?
- What organizations in your region are resources for you and for other foundations or nonprofits in understanding potential policy changes?
- Have you considered the effects that certain changes to tax laws might have for your foundation? Examples to consider might include new municipal or provincial laws about tax exemption or nonprofit accountability, changes in the taxation of capital gains with the sale of shares or property, or other income tax revisions.

COMMERCIAL SECTOR AS INNOVATOR

Community philanthropy has long been connected to several allied industries, such as accounting, tax law, estate planning, investment advising, and financial management. As each of these industries innovate, merge, and develop new services they force the others to do so as well, each exerting and responding to ebbs and flows in the others.

Technology vendors that build software and hardware systems for managing grants, investments, and entire charitable operations are the latest new player in this mix. The independence, access to capital, built-in scalability, and customer focus of these commercial providers gives them an important advantage over individual and joint efforts by community foundations and makes them an important source of new product innovation in the field.

What does this mean for your community?

- What law firms, banks, family offices, and technology providers are active in your community?
- Have any of your local advisory partners (estate planners, accountants, and investment managers) added philanthropic advisory services to their business offerings?
- How many of your most important advisory relationships are with local, independent firms? How many are with local branches of national or international firms?

What does this mean for your community foundation?

- What functions that are now done in-house could be outsourced to others or accomplished more efficiently using commercial products? Financial management? Grants management? Donor management? Data management?
- Do you regularly track and consider emerging technological tools that might help you do your work better, such as meetup.com, wikis, or social tagging systems?

CHANGING RELATIONSHIPS BETWEEN SECTORS; NEW EXPECTATIONS FOR PUBLIC POLICY MAKING AND PROBLEM-SOLVING

Philanthropy has grown up in relation to the larger public and business sectors around it. Devolution, tax reform, and changing patterns in public spending have changed the role of national, provincial, and local governments in providing community services. At the same time, corporations are now leading the way in product, service, and marketing innovations that facilitate philanthropic transactions. Ongoing structural shifts in government services and corporate responsibility and the non-profit sector will require philanthropy to continually assess these relationships as it defines its role in public policy making and problem-solving.

What does this mean for your community?

- Has the number of nonprofit organizations in your community increased or decreased in the last five years? Will it increase or decrease in the next five years?
- How has the role of the government changed in providing (social, cultural, environmental) services in your community (e.g., are there programs that government once supplied that are now provided by nonprofits)? How is it likely to change in the next few years?
- How active are corporations in the social welfare of your community? Has their level of participation changed in recent years?

What does this mean for your community foundation?

- What kinds of relationships does the foundation have with local government and corporate leaders? Have you worked collaboratively with local governments in your area? Over the last year, how many of your grants and projects involved collaboration with other entities (public, private, philanthropic)?
- Ask each person on your staff and board to list the three most important government departments or agencies for the foundation to work with. How many different agencies are on that list? Is there consensus about which three are the most important? What kinds of relationships now exist between the foundation and those top three agencies?
- Have you worked collaboratively with private and corporate partners? What's the most successful experience you've had and how did it come to be?

IMPLICATIONS FOR YOUR COMMUNITY

1. Drawing from assessments of your community done by you and others and your answers to the questions in this discussion guide, **what are the most important emerging issues for your community in the next 10 years?**
2. Which of these issues are being adequately addressed? Which are not?
3. Which of these issues can philanthropy be expected to meaningfully influence?
4. Step back and ask yourself, what is the **one thing that your community foundation could do in the next 10 years that would make the most difference** for your community?